

**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

**IN THE MATTER OF THE SALE/PURCHASE)  
OF BITTERROOT WATER COMPANY. )**

**CASE NO. BIT-W-03-1**

**NOTICE OF APPLICATION**

**NOTICE OF MODIFIED  
PROCEDURE**

**NOTICE OF COMMENT/  
PROTEST DEADLINE**

YOU ARE HEREBY NOTIFIED that on June 17, 2003, documentation was filed with the Idaho Public Utilities Commission (Commission) pertaining to the sale/purchase of the Bitterroot Water Company. The Bitterroot Water Company (Bitterroot) is a regulated public utility maintaining and operating a water system and water supply and providing water service to approximately 101 customers in Kootenai County, Idaho in an area more particularly described as Silver Meadow subdivision located in Township 53 North, Range 03 West, Sections 20 and 29, Boise-Meridian, Kootenai County, Idaho, as recorded in the Kootenai County Recorder Office, Record No. 1375350. Certificate of Public Convenience and Necessity No. 319 was issued to Bitterroot Water Company, Inc. by the Commission on December 14, 1995. Reference Case No. GNR-W-95-2, Order No. 26268.

As reflected in the second amended Purchase Agreement filed with the Commission on July 7, 2003, the Seller, Bruce Burnett, agrees to sell Kenneth and Cathy Rickel of Kootenai County, Idaho, hereinafter called Purchasers, the Company stock of Bitterroot Water Company, Inc., consisting of 100,000 shares of stock for the purchase price of \$50,000. Pursuant to terms of payment, Seller acknowledges receipt of \$25,000 for 50,000 shares of stock. The balance of the purchase price for the remaining 50,000 shares is payable at 8% per annum commencing June 1, 2003. Payments shall be \$303.32 per month with the first payment being due on the 15<sup>th</sup> day of the month following Commission approval of this stock transfer. Payments will be due

month to month until the balance is paid in full. The unpaid balance is secured by a promissory note. Seller will retain possession of the balance of the shares until the note is paid.

The addresses of Seller and Purchasers are:

Seller: Bruce Burnett, 4240 Old Seward Highway, Suite 13, Anchorage, AK 99503

Purchasers: Kenneth and Cathy Rickel, PO Box 1261, Hayden Lake, ID 83835

The Sale/Purchase Agreement recites that the Certificate for Bitterroot Water Company, Inc. will not change as a result of this transaction.

As reflected in the initial filing, the attorney for the Purchasers states that while this is not to be a consolidation of water companies, his clients, the Rickels, currently own the contiguous water company that bears their name. (Rickel Water Company – Commission Certificate No. 324.) Both parties to the sale/purchase agree that it only makes economies of scale and logistical sense that the companies be owned by local people. Further, it is recited that the companies share a communal reservoir and some infrastructure.

The Rickels intend to leave the existing water service fees for Bitterroot “as is” for the near future, but based on economics, contend that it is possible that an increase may be needed. There are reportedly a number of hook ups which may be losing water due to faulty back-flow prevention valves which need to be fixed and/or replaced. This repair, the Rickels contend, will potentially stop the water shortages which have been occurring in the Bitterroot system. The Rickels contend also that there is no question that the Company will need to have another well and reservoir for the expansion of housing north of the Company’s present customer base.

YOU ARE FURTHER NOTIFIED that the Commission has reviewed the filings of record in Case No. BIT-W-03-1. The Commission has preliminarily determined that the public interest regarding the sale/purchase of Bitterroot Water Company stock may not require a hearing to consider the issues presented, and that issues raised by the Application may be processed under **Modified Procedure**, i.e., by written submission rather than by hearing. Reference Commission Rules of Procedure, IDAPA 31.01.01.201-204.

YOU ARE FURTHER NOTIFIED that the Commission may not hold a hearing in this proceeding unless it receives written protests or comments opposing the use of Modified

Procedure and stating why Modified Procedure should not be used. Reference IDAPA 31.01.01.203.

YOU ARE FURTHER NOTIFIED that **the deadline for filing written comments or protests** with respect to the Application and the Commission's use of Modified Procedure in Case No. BIT-W-03-1 is **Thursday, August 14, 2003**. Persons desiring a hearing must specifically request a hearing in their written protests or comments.

YOU ARE FURTHER NOTIFIED that if no written comments or protests are received within the deadline, the Commission will consider the matter on its merits and enter its Order without a formal hearing. If comments or protests are filed within the deadline, the Commission will consider them and in its discretion may set the matter for hearing or may decide the matter and issue its Order based on the written positions before it. Reference IDAPA 31.01.01.204.

YOU ARE FURTHER NOTIFIED that written comments concerning Case No. BIT-W-03-1 should be mailed to the Commission and to the Seller and Purchaser at the addresses reflected below.

COMMISSION SECRETARY  
IDAHO PUBLIC UTILITIES COMMISSION  
PO BOX 83720  
BOISE, IDAHO 83720-0074

Street Address for Express Mail:

472 W WASHINGTON ST  
BOISE, ID 83702-5983

BRUCE BURNETT  
c/o NORM GISSEL  
ATTORNEY AT LAW  
1424 SHERMAN AVE, STE 100  
COUER D'ALENE, ID 83814

KENNETH & CATHY RICKEL  
c/o TIM VANVALIN, ATTORNEY AT LAW  
15381 HWY 41  
PO BOX 1228  
RATHDRUM, ID 83858-1228

These comments should contain the case caption and case number shown on the first page of this document.

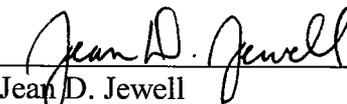
Persons desiring to submit comments to the Commission via e-mail may do so by accessing the Commission's home page located at [www.puc.state.id.us](http://www.puc.state.id.us). Click the "Comments and Questions" icon, and complete the comment form, using the case number as it appears on the front of this document. A hard copy of these comments must also be sent to the Seller and Purchasers at the comment addresses listed above.

NOTICE OF APPLICATION  
NOTICE OF MODIFIED PROCEDURE  
NOTICE OF COMMENT/ PROTEST DEADLINE

YOU ARE FURTHER NOTIFIED that if no written comments or protests are received within the time limit set, the Commission will consider this matter on its merits and enter its Order without a formal hearing. If written comments are received within the time limit set, the Commission will consider them and, in its discretion, may set the same for formal hearing.

YOU ARE FURTHER NOTIFIED that the Application in Case No. BIT-W-03-1 can be reviewed during regular business hours at the Idaho Public Utilities Commission, 472 West Washington Street, Boise, Idaho. In addition, the Application may be viewed by accessing the Commission's website at [www.puc.state.id.us](http://www.puc.state.id.us) under the "File Room" icon and selecting the appropriate topic heading.

DATED at Boise, Idaho this 24<sup>th</sup> day of July 2003.

  
\_\_\_\_\_  
Jean D. Jewell  
Commission Secretary

Vld/N:BITW0301\_sw